The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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In law, there are no slaves—in fact, there are many.
—Henri-Frederic Amiel.

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High-Output-High-Wage Theory Is Refuted By Economic Writer

Washington, March 19.—The claim that "wages depend entirely upon output; the more the worker produces, the higher pay he will receive," is not accepted by Edwan Clague, of the United States Bureau of Labor Statistics.

"If we examine the problem we find that it is by no means as simple as this," says Mr. Clague, writing in American Federationist, current issue.

"The man who dared to address an audience of Southern cotton farmers in defense of the proposition that increased output means more money for the producer would probably be in serious danger of physical injury.

"It is a well-established fact that a bumper crop of wheat or cotton is very likely to bring in less money to the farmers than a short crop.

"It would also be quite difficult to persuade textile workers of New England that the more they produce the higher their wages will be. In other words, there are enough discordant voices in the atmosphere to make it perfectly clear that there is no simple harmonious relationship between productivity and wages.

"One point which must be emphasized before there can be any discussion of wages and purchasing power is that high wages, if they are to mean anything, must be accompanied by low prices. By 'real' wages is meant the purchasing power of the money received by the worker; that is, the amount and quality of food, clothing, shelter and other necessaries which he can buy. Actual money wages may increase, but if prices also go up, there is no gain to the worker.

"Far too frequently we read that wages in such and such a trade have doubled since 1914, implying that the workers are therefore twice as well off as they were before; the fact is that such workers are getting a 'real' wage about 20 per cent higher than in 1914."

In discussing the charge that English trade unions have more or less openly advocated restriction of output, Mr. Clague said that "unlimited production did not prove to be an unmixed blessing; sometimes it was a curse."

"The unions had stumbled upon a truth which had escaped the sharp minds of the economists, namely, that what a nation needs is not unlimited production, but applied and regulated production," he said.

"In the United States business men discovered this truth and acted upon it. In the 80's and 90's of the last century they advanced the proposition that 'competition is the death of trade,' and began to form combinations and trusts to eliminate or restrict competition among themselves. They too, discovered that unlimited production did not bring only good results.

"It is no longer thought that it is to the interest of the nation to have the utmost possible production, if that production is so badly adjusted that it is likely to lead to a serious depression."

LESS WORKING HOURS FAVORED IN ARIZONA

Phoenix, Ariz., March 19.—The State Senate approved a bill that reduces women's work week from 56 to 48 hours. In urging the House of Representatives to pass the bill, the Central Labor Council, in a letter to Speaker Crawford, said:

"We are familiar with the fact that some members of the House have received letters or telegrams from working women opposing this bill. We find that in practically every instance where working women have expressed opposition to this bill, such expressions have been secured by coercion and intimidation—by threats of decreases and in wages and the loss of jobs.

"We are aware that certain 'club women' are opposing this measure on the theory that such legislation is not in harmony with the aims of the ultra modern feminist movement. These advanced ladies tell us that this sort of legislation is subversive of equal movement having as its goal the absolute equality of sex.

"We are not interested in the abstract theories of the feminist movement. We are, however, vitally interested in maintaining the health and well-being of the working women of our State."

UNION BUYS HOME

Kansas City, Mo., March 19.—The Brotherhood Railway Carmen, a member the ranks of national and international trade unions that own union homes.

The building is symtically new, four stories high, and is centrally located. The deal was closed by President Martin F. Ryan and the general executive board. A quarter of a century ago the union headquarters were moved here from Cedar Rapids. At that time one room was used. Today the union membership is near the quarter-million mark.

WANTS MORE COMPENSATION

Sacramento, Cal., March 19.—Organized workers are behind a movement to increase maximum weekl payments under the California compensation law. The present rate is $20.83. The unionists suggest $25.

MORE ACCIDENTS ALARM EMPLOYERS

New York, March 19.—Increasing accidents in the metal industry has alarmed these employers and a group of 50 owners and representatives of metal manufacturing plants in this city met to discuss the need for greater safety.

Added costs and a fear of drastic legislation were the compelling motives for the meeting. One speaker said that the average cost of accidents was tending steadily upward.

The loss from preventable accidents and deaths is staggering, it was stated. Based on the New York compensation law valuation of life, the total for the country is $2,390,000,000 a year. This is sufficient, in six years, to pay off every debt the foreign countries owe the United States.

OLD-AGE PENSION LAW FAVORED IN CANADA

Ottawa, Ont., March 19.

THE Dominion House of Commons has passed the government's old-age pension bill. The measure is now before the Senate, where it was defeated a year ago.

If the bill becomes law the government will pay $20 a month at the age of 70 years provided the provincial government of the province in which the pensioner lives pays 50 per cent of this amount.

Organized labor is supporting the bill and will trust to the future to secure necessary adjustments. The first of these that will be urged will be to make the pension $30 a month, reduce the age requirement from 70 years to 65 years and have the federal government contribute a larger amount to the pension fund.

TAX LAW IS EVADED; MONEY MAY BE LOST

Washington, March 19.—Hundreds of millions of dollars have been lost to the people because of the Treasury Department's failure to enforce a levy of 50 per cent on corporations for evasion of surtaxes, according to Congressman Green of Iowa, chairman of the House Ways and Means Committee.

Mr. Green made this statement in discussing a special report by L. H. Parker, chief investigator of the Joint Congressional Committee on Taxation. Mr. Parker states that "not a single dollar" of these penalties has been collected, notwithstanding information by corporations of holding or investment companies for the purpose of evading the law. Parker added that both the corporations and the stockholders escape payment through misunderstandings about the law and its application. Even if the law is held constitutional, it is believed that the statute of limitations has run against collecting some of the money.

Mr. Parker made no estimate of the money that would be collected if the law were enforced. Some claim the total would reach $1,000,000,000. Congressman Green said he would prefer to describe it as "several hundred millions."

In the case of one large company, the application of the 50 per cent tax would bring the government $60,000,000 a year. This company would have paid $168,000,000 more taxes for the period prior to 1926, if these penalties had been applied.

At the Treasury Department, it was stated, "an investigation would be made" of cases arising under the law discussed by the Parker report.

MINERS' CAMPAIGN IS GAINING GROUND

Charleston, W. Va., March 19.—The United Mine Workers' organizing campaign is meeting with very success, according to reports received at the coal sections that verge on a panic.

The unionists are giving no sympathy to wild and reckless harangues whose emotional appeals do not reach the miners' reasoning faculties. With the element-sidetone tactics anti-union elements can not point to irresponsible utterances as typical of the union's policy. Presentation of facts put the anti-unionists on the defensive.

REJECT SECRET CONFAB WITH LONG-HOUR BOSSES

Boston, March 19.—Organized labor has refused to join in a secret discussion with textile employers on the women's 54-hour bill.

The employers want the 48-hour law annulled. They claim "southern competition" forces this action. The workers suggest that they modernize their plants and install other efficient methods.

In refusing to enter a secret confab the trade unionists said they are willing to meet their case with an intelligent public opinion, rather than depend on back-stairs diplomacy.

OPPOSE ARMS PUBLICITY

Geneva, Switzerland, March 19.—The Italian and Japanese governments lead opposition to publicity of statistics both of government and private manufacture of arms. Smaller nations favor the plan. The larger nations claim it would be unwise to tell their neighbors what their arsenals are producing.

NEGRO BAN LIFTED

Washington, March 18.—State and city architects that would bar Negroes from white communities or vice versa are unlawful, rules the United States Supreme Court.

The case came up from New Orleans, where a Negro was found guilty of violating a State law and a city ordinance which provides that neither white nor Negro can establish a home residence in a white community or a Negro community without the consent of a majority of the opposite race.

LABOR INJUNCTION UPSETS GOVERNMENT BY LAW

The labor injunction is based on the age-long theory that workers are inferior persons—that lip-service to freedom is sufficient for those "who should be controlled."

It is a heritage from feudal days when land ownership included ownership in the human beings who tilled that land.

The original purpose of the injunction—to protect property when the plaintiff has no other remedy at law—has been perverted.

The injunction, when properly used, can not apply to personal relations. It can not interfere with liberty, it can not operate when statutory law is a remedy.

With the passing of feudalism and conspiracy laws it was necessary to again "bring labor under control." Thus courts created a new system of government that applies only to workers. To them, freedom is yet a figure of speech.

Under this system, workers alone are denied constitutional guarantees. It does not apply to any other group of citizens. At the whim of an equity judge workers are called upon to prove their innocence of any charge an employer may make; their speech and conduct is ordered and they are warned to whom and how they may address themselves.

If any other group of citizens were treated thusly, the injunction judge would be quickly and emphatically notified that government by law still functions. In fact, he would be lucky if he escaped impeachment proceedings.

The labor injunction is more far reaching than the group of strikers directly affected. It not only debases the necessary equity branch of our judicial system, but it officially recognizes classes in the administration of so-called justice and it strikes at the vitals of government by law.

The labor injunction enhances judicial despotism and recalls the historic fact that in the development of tyranny, the workers, in every age, have been its first victims.

"YELLOW DOG" ON THE RUN

Organized labor has tied a tin can to the "yellow dog" and yelps are heard in legislative halls.

In several States a vigorous fight is being waged against this latest weapon of anti-union employers who would compel jobseeking workers to forego their legal right to join a trade union as a price for employment.

The "yellow dog" is contemptuous warfare against trade unionism. Employers who resort to this method are anything but fair-fighting Americans.

A contract is not based on mutuality when one of the parties thereto knows his loved ones may hunger if he refuses to waive a legal right.

Of all the attacks against organized labor, the "yellow dog" takes first rank in meanness. When this unfairness is understood every legislature will support organized labor's claim that the "yellow dog" is against public policy.

LABOR DEFENDS HIGH WAGE THEORY

A. F. of L. Executive Council

High production costs usually indicate inefficient management and inadequate production records. Industry is always losing waste made by the Federated American Engineering Societies charged 50 per cent of individual waste or misuse to management and only 25 per cent to workers. Obviously then the big job is to bring changes that will reduce production costs with benefits to all concerned.

While wage reductions may reduce the total costs chargeable to that one item, the probabilities are that other items have been increased so as to more than counterbalance the effect of wage reduction on that item. Hence the loss in morale may diminish production output. Lower wages mean lower living standards and in turn reflected in loss of physical and mental well-being of workers.

Wage reductions are a powerful factor in the vicious combination that initiates a period of business depression. The most prosperous and best managed production establishments do not attempt to meet industrial difficulties through wage reductions. It is the industry that is unable to solve its management problems by eliminating wastes and bad practices, and by finding the way to secure from every employe the most valuable service that he can contribute, that resorts to wage reductions.

The lowest production costs can be reached only through intelligent co-operation based upon full understanding of the work done.

The labor movement is economically sound in its protest against wage reductions and it is socially correct in opposing conditions that would lower the social standards of our nation.

We urge upon wage earners everywhere that they oppose wage reductions.

HAYTIAN "REPUBLIC" BARS SENATOR KING

Washington, March 19.—The toy-bauble Haytian government maintained by American marines, has refused to admit United States Senator King on the ground that he is an "undesirable." The Utah lawmaker has criticised the make-believe "republic," and has insisted on the floor of the Senate that our marines be recalled. In a speech last year he said:

"The Haytian people know they have no government of their own; that Borno is not their president; that they have only such liberty as the military forces of the United States permit them to enjoy."

The State Department ruled that President Borno is acting within international law in barring Senator King. Friends of the Senator are asking if the ruling means that its influence over Borno, after placing him in office and maintaining marines in the island for that purpose.

"To put it more bluntly," writes one newspaper correspondent, "these critics think President Borno is carrying out the American administration policies and doubt if he would have turned Senator King away without orders. Such a statement also has a powerful element-sidetone tactics and anti-union elements can not point to irresponsible utterances as typical of the union's policy. Presentation of facts put the anti-unionists on the defensive.

FIRST CANADIAN UNION FORMED 100 YEARS AGO

Ottawa, Ont., March 19.—This year marks the one hundredth anniversary of the formation of the first labor union in British North America, according to the Labor Gazette, issued by the Canadian Department of Labor.

"Departmental records show the first Canadian trade union to have been organized in the city of Quebec in 1827, being composed of printers," the Gazette states. "This pioneer union was followed in 1832 by the organization of another body of printers which was formed in York (now Toronto) under the name of the York Typographical Society. Although both of these organizations lapsed for a number of years, they have had the longest continuous existence as trade unions in Canada, both eventually becoming identified with the International Typographical Union, under charter from which they are now operating."

PRINTERS RAISE WAGES

Davenport, Iowa, March 19.—Newspaper printers in the Tri-Cities—Davenport, Moline and Rockford—secured a four-year agreement and substantial wage increases.

BAKERY WORKERS UNITE

Huron, S. Dak., March 19.—Bakery workers have organized a local unit of the Bakery and Confectionery Workers' International Union.

COURT UPHOLDS UNION DISCIPLINE; MEMBER CAN'T EVADE OBLIGATION

St. Louis, Mo., March 19.—A disgruntled member of a trade union must resort to every relief in his organization before appealing to the court, rules the St. Louis Court of Appeals in dismissing an injunction plea of a member of organized labor who was disciplined by his union.

The defendants were President Morgan and associate officials of the International Association of Bridge, Structural and Ornamental Iron Workers. The plaintiff, F. D. Hall, had been found guilty of irregularities in the union. He was fined and debarred from holding office or attending meetings for a certain period.

Jones appealed for an injunction against enforcing the decision. He was defeated in the St. Louis Circuit Court and met the same fate in the Court of Appeals. He claimed that the general executive board of the international union was incompetent to try his case. In answer to this the Court of Appeals said:

"If this were true, it is manifest that he could not have been tried at all, and he might, as suggested by defendants, have committed any offense with impunity, no matter how derogatory to the interests of the association, so long as he was careful at the same time, to include some slander against the members or the general executive board. Or, if the argument is carried to its logical conclusion and not well taken."

plaintiff's theory adopted that the trial board could not be composed of persons having a possible interest in the subject matter, in the event that a member of an organization should slander the entire membership of his association, no one competent to try him as a member of the association would be thus rendered utterly helpless to defend itself against such misconduct and slander, whether malicious or unwarranted they might have been.

"There are many instances that occur to us in which members of the tribunal before which the hearing is had are either directly or indirectly pecuniarily interested in the matters that have been committed. Courts cite and try persons for contempt. Directors of boards of trade and stock exchanges try members for offenses which have injured the very directors sitting in judgment, and similar practice is to be found in the case of police boards, medical societies, bar associations, clubs and other organizations.

"We conclude, therefore, that inasmuch as the manner of plaintiff's trial was governed by the contract existing between him and the international association, and inasmuch as the hearing appears to have been conducted in substantial conformity with the laws and rules of practice provided in the constitution by which he had agreed to be bound, his objections to the validity of his trial and conviction are

SENATORS BLOCKED IN ELECTION PROBE

Washington, March 19.—An echo of the filibuster in the closing days of the last Senate was heard when funds were denied the Senate "slush" committee to continue its investigation of the Vare election in Pennsylvania.

Senator Reed of Missouri attempted to secure a continuance of the committee's power. He was opposed by Senator Reed of Pennsylvania. The result was a filibuster that made impossible the passage of several important appropriation bills.

Of greater importance to certain powerful interests was the sidetracking of resolutions to probe the sale and barter of Federal offices in the South, to investigate the merging of public utility corporations and to authorize the Senate Foreign Relations Committee to hold hearings during the congressional recess.

Whe Senator Reed of Missouri ordered the Senate sergeant-at-arms to proceed to Pennsylvania and impound ballot boxes, the Missouri lawmaker was informed that the Senate disbursing officer would not advance funds unless authorized by Senator Keyes of New Hampshire, chairman of the Committee on Audit and Contingent Expenses of the Senate.

The money could be secured from friends of good government, it is stated, but the Vare partisans could easily find a Pennsylvania judge who would issue an injunction against State election officials surrendering the ballot boxes.

STATE CENSORSHIP OPPOSED BY ACTORS

New York, March 19.—Stage censorship by the State was again opposed at a mass meeting of several hundred members of the Actors' Equity Association, affiliated to the A. F. of L. Miss Julia Marlowe presided.

The Equities include practically every star in the American theatrical world. They insist that self-censorship, when ruled by public officials, is the solution for an evil that no one disputes.

WOMEN'S LAW FAVORED

Albany, N. Y., March 19.—The 48-hour law for women workers in canneries in industry has been reported to the State Assembly by the Committee on Labor and Industry. The committee also favors an increase in the compensation minimum to be awarded injured women.

GAIN 42-HOUR WEEK

New York, March 19.—More than 5,000 white goods workers affiliated to the International Ladies' Garment Workers' Union, averted a general strike and secured a 42-hour agreement to replace the present 44-hour week.

America Leads In Social Advance, Says Kerensky, Russian Democrat

New York, March 19.—Alexander Kerensky, head of the first attempt at democratic government in Russia, and now visiting in this country, told an Associated Press representative that communism and Fascism are the antithesis of the idea of democracy.

"Different in color and degree, but their opposition to the idea of democracy unites them," he said. "Both movements are reactionary in their substance because both are against the freedom of the individual.

"Do you believe that in present day competitive society there is any freedom of the individual?" he was asked.

"Yes," he replied. "All freedom is relative. Anyway, I know that many good Americans are dissatisfied with social conditions in America, and that is a good thing, for the dissatisfied are the social evolutionaries and the contributing cause of progress. In saying that America has more elements for rapid development along social lines than any other country, including Russia, I am aware that you are not perfect here, but that you are further ahead than any other country in Europe. I have been all over Europe, and speak from comparison.

"The equality of opportunity which you have in America, while not yet bringing the country to a perfect state, distinguishes America favorably from European countries. We are witnessing in the world the beginning of real democracy and America is furthest ahead."

Mr. Kerensky expressed his belief that "this real democracy is not only political but economic."

"An intensive economic development, possible now only under capitalistic institutions, is the necessary prerequisite for the future real democracy," he said.

"The world meaning of the Bolshevist experiment in Russia is that they wanted to build a social democracy through the destruction of a political democracy, and in overthrowing capitalism Russia was forced later to go back to the beginning of capitalistic accumulation as a result."

The visitor said that capital and labor are "neither brothers nor opponents."

"As long as capitalism obtains they are two indispensable links in the economic system," he said.

STEEL TRUST WAGES SMASH NO RECORD

New York, March 19.—The steel trust's annual report shows high earnings for 1926, but the trust's boasted "high" wages can not be sustained by analysis.

The corporation employed 253,199 persons last year. They received wages and salaries totaling $467,409,446. This is an average of $1,910 for each person, and includes salaries for executives. With these salaries eliminated, the rate for wage earners would not average $1,910.

The year was a successful one for stockholders. Aside from usual dividends, a 40 per cent stock dividend was issued. This means that for every 100 shares of stock, the holder now has 140 shares.

SMALL MONEY GROUPS "PYRAMID" HOLDINGS

Washington, March 19.—Small financial groups control vast power combinations through holding companies and "pyramiding" of the stock of these concerns, says the Federal Trade Commission in its voluminous report.

"In one instance," the commission states, "less than a million-dollar investment in the majority of the voting stock of the Apex Holding Company gave in 1925 full control of the entire combination of the group, having scores of underlying companies and several hundred million dollars of investment.

"Such pyramiding not only affects the financial stability of the electric power industry, but also has a potential relation to the more general question of an undue concentration of control of the electric power industry."

Pyramiding makes possible high speculative profits through the stock holdings and earnings of subsidiary companies.

"By the device of financing the holding companies quite heavily with bonds and preferred stocks at low rates of interest," says the report, "the common stock equities of the holding companies, ownership of which is retained by the promoters, are made to earn much higher rates."

EMPLOYERS WANT STATE TO ENFORCE PEONAGE

Phoenix, Ariz., March 19.—The Arizona Cotton Growers' Association would use the police power of the State to compel Porto Ricans to labor.

The Porto Ricans were lured to the cotton section by glowing promises. They are being fed and housed by organized labor and other citizens, and Governor Hunt has called on the cotton growers to care for these men, women and children.

The cotton growers reply that they will provide work, and that public officials should take a "firm stand" against loitering. This is construed as a demand that the police power of the State be turned over to the employers in enforcing peonage.

KILL FAKE LABOR BILL

Raleigh, N. C., March 19.—Organized labor's solid opposition to the Squire's so-called workmen's compensation bill resulted in the defeat of that measure by the General Assembly. Many employers favored the bill.

CITY EMPLOYES ADVANCE

New York, March 19.—The new city budget provides for a wage increase of $1,500, New Jersey and Pennsylvania. Three-fourths of the increase will go to workers who receive less than $2,400 a year.

CIGAR MAKERS ACTIVE

Chicago, March 19.—The Cigar Makers' International Union increased its membership 292 the past month. Organizing campaigns are on throughout New York, New Jersey and Pennsylvania.

FILE CONVICT LABOR BILL

Annapolis, Md., March 19.—Prohibition of convict labor except in work for the State and on roads, or for State institutions, is sought in a bill introduced in the House of Delegates by Assemblyman Hicks.

"YELLOW DOG" PLAN SCORED IN FAR WEST

Stockton, Cal., March 19.—By an almost unanimous vote the Committee on Labor of the General Assembly favored a bill that would outlaw the "yellow dog."

The bill, introduced by Assemblyman McDonald, a member of the executive board of the Operative Plasterers' International Association, provides that any attempt to enforce the "yellow dog" as a condition of employment is "contrary to public policy and wholly void."

Representatives of employers' organizations attempted to have the bill ridiculous by amendments, but this emphasized their failure to answer the charge that the alleged contract is one-sided and contains no element of mutuality.

The text of the bill follows:

"Section 3-A. Every undertaking or promise hereafter made, whether written or oral, express or implied, constituting, providing or containing any contract or agreement of hiring or employment between any individual, firm, company, association, or corporation, and any employe or prospective employe of the same, whereby (a) either party to such contract or agreement undertakes or promises not to join, become, or remain, a member of any labor organization or of any organization of employers, or (b) either party to such contract or agreement undertakes or promises that he will withdraw from the employment relation in the event that he joins, becomes or remains, a member of any labor organization or of any organization of employers, is hereby declared to be contrary to public policy and wholly void."

SOCIAL LAWS OPPOSED BY TRADE UNION FOES

Charleston, W. Va., March 19.—Anti-social proposals in the State Legislature emphasize the necessity, it is said, that trade union opposition extends to remedial legislation.

Bills now before would abolish the direct primary, weaken child labor statutes and place the workmen's compensation act in charge of three lawyers.

The most daring proposal, however, is that a voluntary unincorporated organization shall be responsible for the debts and other acts of individual members. Under this plan, pigeons placed in the unions by employers would entangle every West Virginia labor union in litigation.

PEONAGE RING SMASHED

Corpus Christi, Texas, March 19.—Sentences ranging from 30 days in jail and a fine of $500 up to 18 months in Federal Prison at Leavenworth and a fine of $1,000 were imposed on three officials and two farmers of Willacy county, Texas, convicted in the Federal district court on charges of peonage and conspiracy.

Testimony at the trial was that men sent to Willacy county as cotton pickers were charged with vagrancy and made to work out their fines under armed guards.

HOME TAX EXEMPTION FAVORED IN NEW YORK

New York, March 19.—Mayor Walker favors a city ordinance which grants tax exemption for 20 years to dwelling tenements erected under the State housing act. The land will be taxed. Only the buildings will be exempt from city taxes.

The proposal is a wide departure from taxing exemptions. Opponents claim that it will, in effect, be a subsidy to one form of realty at the cost of other realty and that it squints toward the single tax theory.

The plan is based on the ground of public necessity. Dividends from the tenements to owner companies will be limited to 6 per cent and the tenants will get the benefit of the exemption. Erection of model tenements will tend to increase taxable values of other property in the vicinity, especially of trading sites.